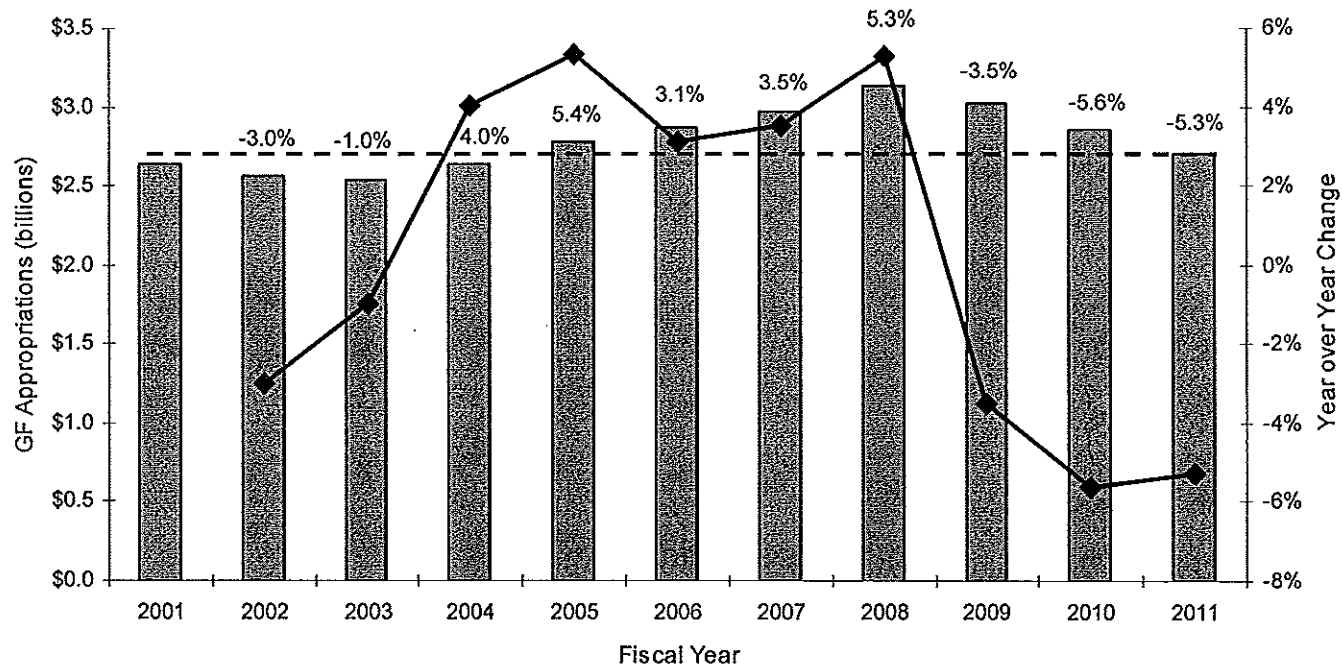
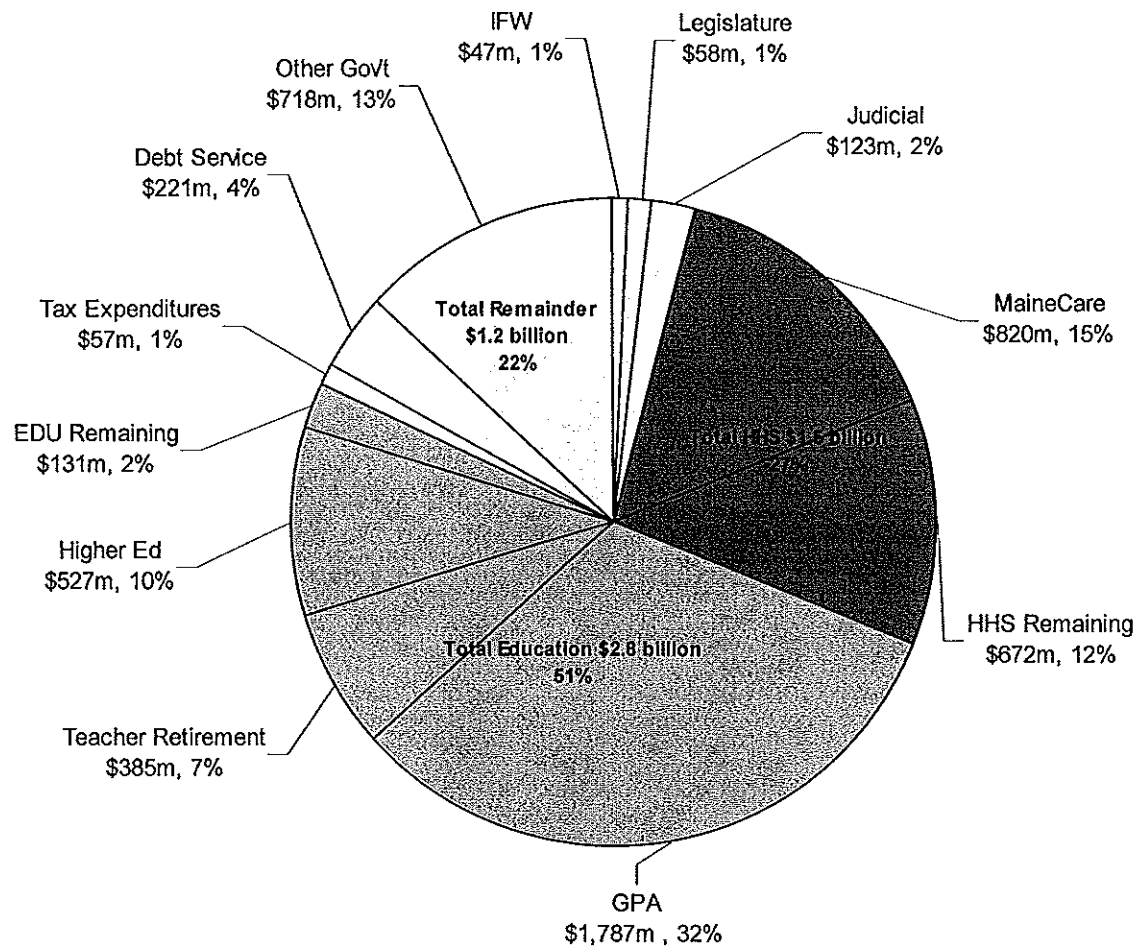


## Change in General Fund Appropriations, 2001-2011



- Authorized appropriations in FY 11 are at the same level as in FY01
- Appropriations, driven by revenues, have been declining steeply since 2008

# **2010/2011 Biennium: General Fund Appropriations by Major Program \$5.5 billion**



DOC total GF biennial budget - \$294.4m

BOC total GF biennial budget - \$18.4m – 0.3%

Note: more than half of GF resources directly benefit local governments

### **Unfortunately, we aren't out of the woods yet...**

- Currently, the revenue forecast for FY12/FY13 stands at just \$5.7 billion, not appreciably higher than the current biennium
- ARRA funding has provided State government with substantial fiscal help over the past 18 months; without this help, we would have had to make much deeper cuts in spending
- ARRA funding will be phasing down over the coming months – we are facing a Recovery cliff
  - \$100 million curtailment in the offing
- Structural Gap is significant – more than \$1 billion
- It is going to be a while before state revenues significantly improve
- Everyone has to help shoulder the burden

## BRIEF OVERVIEW OF BUDGET PROCESS

- Curtailment instructions & supplemental budget instructions sent out 1<sup>st</sup> week of July
- Biennial budget version opened to departments & agencies – this week
- Electronic submissions due to Budget Office – September 1<sup>st</sup> (statutory deadline)
  - Press always requests copies of submissions on September 2<sup>nd</sup>
- Review of curtailment proposals & first pass at supplemental proposals during September
- Curtailment Order issued October 1<sup>st</sup>
- One on one reviews of biennial budget submissions and, where necessary, supplemental proposals – October & November
- Work begins with Transition Team – November – December
- Budget closes – January
- Governor presents budget recommendations to Legislature by early February
  - No one – including departments & agencies – sees final budget until it is released by Governor
- Legislative hearings and work sessions begin – February onwards
  - Supplemental budget will be worked first